

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## SENATE ENROLLED ACT No. 536

AN ACT to amend the Indiana Code concerning labor and safety and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

SECTION 1. IC 5-28-27 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 27. Skills 2016 Training Fund**

**Sec. 1. This chapter expires December 31, 2008.**

**Sec. 2. As used in this chapter, "fund" refers to the skills 2016 training fund established by section 3 of this chapter.**

**Sec. 3. (a) The skills 2016 training fund is established to do the following:**

- (1) Administer the costs of the skills 2016 training program established under IC 22-4-10.5.**
- (2) Undertake any program or activity that furthers the purposes of IC 22-4-10.5.**
- (3) Refund skills 2016 training assessments erroneously collected and deposited in the fund.**

**(b) The money in the fund shall be allocated as follows:**

- (1) An amount to be determined annually shall be set aside for the payment of refunds from the fund.**
- (2) The remainder of the money in the fund shall be allocated to employers or consortiums for incumbent worker training grants that enable workers to obtain recognizable credentials**

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or certifications and transferable employment skills that improve employer competitiveness.

(c) Special consideration shall be given to the state educational institution established under IC 20-12-61 to be the provider of the training funded under this chapter whenever the state educational institution:

- (1) meets the identified training needs of an employer or a consortium with an existing credentialing or certification program; and
- (2) is the most cost effective provider.

(d) For the incumbent worker training grants described in subsection (b), the department of workforce development shall do the following:

- (1) Provide grant applications to interested employers and consortiums.
- (2) Accept completed applications for the grants.
- (3) Obtain all information necessary or appropriate to determine whether an applicant qualifies for a grant, including information concerning:
  - (A) the applicant;
  - (B) the training to be offered;
  - (C) the training provider; and
  - (D) the workers to be trained.
- (4) Prepare summaries or other reports to assist the secretary of commerce in reviewing the grant applications.

(e) The department of workforce development shall forward the grant applications and other information collected or received by the department under subsection (d) to the secretary of commerce who shall allocate the money in the fund in accordance with subsections (b) and (c), after considering the information provided by the department of workforce development.

(f) The corporation shall enter into an agreement with the department of workforce development for the department of workforce development to administer the fund using money appropriated from the fund.

(g) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(h) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(i) The fund consists of the following:

- (1) Assessments deposited in the fund.

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**(2) Earnings acquired through the use of money belonging to the fund.**

**(3) Money deposited in the fund from any other source.**

**(4) Interest and penalties collected.**

**(j) Any balance in the fund does not lapse but is available continuously to the corporation for expenditures for the program established under IC 22-4-10.5 consistent with this chapter, after considering any information concerning an expenditure provided by the department of workforce development.**

SECTION 2. IC 22-4-10.5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 0.5. This chapter expires December 31, 2008.**

SECTION 3. IC 22-4-10.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. **(a) The skills 2016 training program is to be administered by the ~~department of workforce development~~ Indiana economic development corporation in the manner prescribed by ~~IC 22-4-18.3~~ IC 5-28-27.**

**(b) The Indiana economic development corporation shall enter into an agreement with the department of workforce development for the department of workforce development to administer the fund.**

SECTION 4. IC 22-4-10.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. **(a) ~~After making the deposit required by subsection (b);~~ The department shall deposit skills 2016 training assessments paid to the department under this chapter in the skills 2016 training fund established by ~~IC 22-4-24.5-1~~ IC 5-28-27-3.**

**(b) ~~After June 30, 2003; unless the board approves a lesser amount; the department annually shall deposit the first four hundred fifty thousand dollars (\$450,000) in skills 2016 training assessments paid to the department under this chapter in the special employment and training services fund established by IC 22-4-25-1 for the training and counseling assistance described in IC 22-4-25-1(f).~~**

SECTION 5. IC 22-4-25-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. **(a) There is created in the state treasury a special fund to be known as the special employment and training services fund. All interest on delinquent contributions and penalties collected under this article, together with any voluntary contributions tendered as a contribution to this fund, ~~and amounts deposited as required by IC 22-4-10.5-7(b);~~ shall be paid into this fund. The money shall not be expended or available for**

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expenditure in any manner which would permit their substitution for (or a corresponding reduction in) federal funds which would in the absence of said money be available to finance expenditures for the administration of this article, but nothing in this section shall prevent said money from being used as a revolving fund to cover expenditures necessary and proper under the law for which federal funds have been duly requested but not yet received, subject to the charging of such expenditures against such funds when received. The money in this fund shall be used by the board for the payment of refunds of interest on delinquent contributions and penalties so collected, for the payment of costs of administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the employment and training services administration fund, on and after July 1, 1945. Such money shall be available either to satisfy the obligations incurred by the board directly, or by transfer by the board of the required amount from the special employment and training services fund to the employment and training services administration fund. No expenditure of this fund shall be made unless and until the board finds that no other funds are available or can properly be used to finance such expenditures, except that expenditures from said fund may be made for the purpose of acquiring lands and buildings or for the erection of buildings on lands so acquired which are deemed necessary by the board for the proper administration of this article. The board shall order the transfer of such funds or the payment of any such obligation or expenditure and such funds shall be paid by the treasurer of state on requisition drawn by the board directing the auditor of state to issue the auditor's warrant therefor. Any such warrant shall be drawn by the state auditor based upon vouchers certified by the board or the commissioner. The money in this fund is hereby specifically made available to replace within a reasonable time any money received by this state pursuant to 42 U.S.C. 502, as amended, which, because of any action or contingency, has been lost or has been expended for purposes other than or in amounts in excess of those approved by the bureau of employment security. The money in this fund shall be continuously available to the board for expenditures in accordance with the provisions of this section and shall not lapse at any time or be transferred to any other fund, except as provided in this article. Nothing in this section shall be construed to limit, alter, or amend the liability of the state assumed and created by IC 22-4-28, or to change the procedure prescribed in IC 22-4-28 for the satisfaction of such liability, except to the extent that such liability may be satisfied by and out of the funds of such special employment and training services fund created

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by this section.

(b) The board, subject to the approval of the budget agency and governor, is authorized and empowered to use all or any part of the funds in the special employment and training services fund for the purpose of acquiring suitable office space for the department by way of purchase, lease, contract, or in any part thereof to purchase land and erect thereon such buildings as the board determines necessary or to assist in financing the construction of any building erected by the state or any of its agencies wherein available space will be provided for the department under lease or contract between the department and the state or such other agency. The commissioner may transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of any land and buildings acquired for its use until such time as the full amount of the purchase price of such land and buildings and such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(c) The board may also transfer from the employment and training services administration fund to the special employment and training services fund amounts not exceeding funds specifically available to the commissioner for that purpose equivalent to the fair, reasonable rental value of space used by the department in any building erected by the state or any of its agencies until such time as the department's proportionate amount of the purchase price of such building and the department's proportionate amount of such cost of repair and maintenance thereof as was expended from the special employment and training services fund has been returned to such fund.

(d) Whenever the balance in the special employment and training services fund is deemed excessive by the board, the board shall order payment into the unemployment insurance benefit fund of the amount of the special employment and training services fund deemed to be excessive.

(e) Subject to the approval of the board, the commissioner may use not more than five million dollars (\$5,000,000) during a program year for training provided by the state educational institution established under IC 20-12-61 to participants in joint labor and management apprenticeship programs approved by the United States Department of Labor's Bureau of Apprenticeship Training. Of the money allocated for training programs under this subsection, fifty percent (50%) is designated for industrial programs, and the remaining fifty (50%)

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percent is designated for building trade programs.

(f) The commissioner shall allocate an amount not to exceed four hundred fifty thousand dollars (\$450,000) annually for training and counseling assistance under IC 22-4-14-2 provided by state educational institutions (as defined in IC 20-12-0.5-1) or counseling provided by the department of workforce development for individuals who:

- (1) have been unemployed for at least four (4) weeks;
- (2) are not otherwise eligible for training and counseling assistance under any other program; and
- (3) are not participating in programs that duplicate those programs described in subsection (e).

Training or counseling provided under IC 22-4-14-2 does not excuse the claimant from complying with the requirements of IC 22-4-14-3. Eligibility for training and counseling assistance under this subsection shall not be determined until after the fourth week of eligibility for unemployment training compensation benefits. The training and counseling assistance programs funded by this subsection must be approved by the United States Department of Labor's Bureau of Apprenticeship Training.

SECTION 6. IC 22-4-32-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 19. (a) At any time within four (4) years after the date upon which any contributions, skills 2016 training assessments under IC 22-4-10.5-3, or interest thereon were paid, an employing unit which has paid such contributions, skills 2016 training assessments, or interest thereon may make application for a refund of such contributions, skills 2016 training assessments, or an adjustment thereon in connection with subsequent contribution payments or skills 2016 training assessments. The commissioner shall thereupon determine whether or not such contribution or skills 2016 training assessment, or interest or any portion thereof was erroneously paid or wrongfully assessed and notify the employing unit in writing of its decision.

(b) Such decision shall constitute the initial determination referred to in section 4 of this chapter and shall be subject to hearing and review as provided in sections 1 through 15 of this chapter.

(c) The commissioner may grant such application in whole or in part and may allow the employing unit to make an adjustment thereof without interest in connection with subsequent contribution payments or skills 2016 training assessments. If such adjustment cannot be made, the commissioner may refund such amounts, without interest, from the fund. For like cause and within the same period, adjustments or refund may be made on the commissioner's own initiative. Any adjustments or

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refunds of interest or penalties collected for contributions due under IC 22-4-10-1 shall be charged to and paid from the special employment and training services fund created by IC 22-4-25. Any adjustments or refunds of interest or penalties collected for skills 2016 training assessments due under IC 22-4-10.5-3 shall be charged to and paid from the skills 2016 training fund established by ~~IC 22-4-24.5-1~~. **IC 5-28-27-3.**

(d) If any assessment has become final by virtue of a decision of a liability administrative law judge with the result that no proceeding for judicial review as provided in this article was instituted, no refund or adjustment with respect to such assessment shall be made.

SECTION 7. IC 22-4.5-2-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. "Youth council" refers to an advisory committee to a regional board ~~under IC 22-4.5-3-4~~. **established by IC 22-4.5-3-5.**

SECTION 8. THE FOLLOWING ARE REPEALED [EFFECTIVE UPON PASSAGE]: IC 22-4-18.3; IC 22-4-24.5-1; IC 22-4.5-2-5; IC 22-4.5-3-4.

SECTION 9. [EFFECTIVE UPON PASSAGE] **On the effective date of this act:**

(1) the skills 2016 training fund; and  
(2) all the money in the skills 2016 training fund;  
established by IC 22-4-24.5-1 (repealed by this act) are transferred to the Indiana economic development corporation and deposited in the skills 2016 training fund established by IC 5-28-27-3, as added by this act, and administered by the department of workforce development under an agreement between the Indiana economic development corporation and the department of workforce development.

SECTION 10. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "department" refers to the department of workforce development established by IC 22-4.1-2-1.

(b) The department shall examine the adoption of a life long learning accounts program to encourage life long learning practices by individuals:

- (1) whose principal place of employment is in Indiana; or
- (2) who are unemployed and seeking work in Indiana.

(c) The study described in subsection (b) must include the following:

- (1) A fiscal analysis of any proposed program, including an assessment of the effectiveness of a proposed program to:
  - (A) retain jobs;

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**(B) increase income; and**

**(C) increase the tax base;**

**in Indiana.**

**(2) An estimate of the extent to which a proposed program may increase life long learning practices.**

**(3) Other issues or topics the department considers necessary or appropriate to prepare the report required by subsection (h).**

**(d) The study described in subsection (b) may also include a review of the practices and experiences of other states or political subdivisions with programs similar to any program considered by the department.**

**(e) The department may partner with a public or private group to conduct all or any part of the study described in subsection (b).**

**(f) Notwithstanding IC 5-28-27-3(b), as added by this act, the department may receive an allocation not to exceed fifty thousand dollars (\$50,000) from the skills 2016 training fund established by IC 5-28-27-3, as added by this act, to conduct the study described in subsection (b).**

**(g) Subject to the approval of the budget agency, the department may receive and accept gifts and other donations from any public or private source for use in conducting all or any part of the study described in subsection (b).**

**(h) The department shall report to the legislative council, not later than November 1, 2005, in an electronic format under IC 5-14-6, the results of the study described in subsection (b) and the department's recommendations, including any proposed legislation, if the department's report includes a finding that a life long learning accounts program should be implemented on a permanent basis.**

**(i) This SECTION expires January 1, 2006.**

**SECTION 11. An emergency is declared for this act.**

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President of the Senate

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President Pro Tempore

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Speaker of the House of Representatives

Approved: \_\_\_\_\_

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Governor of the State of Indiana

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